

Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 14513 01 OF 02 112130Z

73/45

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 SCEM-02 SCI-06 COME-00 INT-08

FAA-00 CAB-09 DOTE-00 CIAE-00 INR-10 NSAE-00 RSC-01

PM-07 NSC-10 SPC-03 SS-20 DRC-01 DODE-00 L-03 SIL-01

LAB-06 SCA-01 /125 W

----- 100480

P R 101927Z DEC 73

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 6299

INFO AMEMBASSY BONN

AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 01 OF 02 LONDON 14513

C O R R E C T E D C O P Y (FOR MRN 14513 VICE 14573)

E.O. 11652: N/A

TAGS: ETRN, ENRG, /UK

SUBJ: AVIATION AND SHIPPING FUEL CUT-BACKS ANNOUNCED.

REF: LONDON 14134

1. BEGIN SUMMARY. MINISTER AEROSPACE AND SHIPPING ANNOUNCED DECEMBER 7 THAT FOR THE PERIOD NOVEMBER 20-DECEMBER 31 AVIATION FUEL WILL BE CUT BY 17 PER CENT FROM ANTICIPATED USAGE AND SHIPPING WILL RECEIVE 90 PER CENT OF FUEL SUPPLIED DURING COMPARABLE PERIOD LAST YEAR. A STATEMENT ON FUEL ALLOCATIONS BEYOND DECEMBER 31 PROMISED BEFORE CHRISTMAS. UNLESS EXEMPTIONS GRANTED, PANAM STATES IT WILL RUN OUT OF FUEL BY DECEMBER 21 AND NATIONAL AIRLINES SAYS IT WILL HAVE TO CANCEL 8-9 FLIGHTS DURING DECEMBER. ACTION REQUESTED. SUGGEST WASHINGTON AGENCIES CONSULT WITH AIRLINES CONCERNED TO ENSURE REASONABLE LEVEL OF SERVICE THROUGHOUT HOLIDAY PERIOD. END SUMMARY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 14513 01 OF 02 112130Z

2. UK AEROSPACE AND SHIPPING MINISTER MICHAEL

HESELTINE TOLD PARLIAMENT ON DECEMBER 7 THAT UKG HAD DECIDED TO CUT AVIATION FUEL SUPPLIES BY 55,000 TONS BETWEEN NOVEMBER 20 AND DECEMBER 31. THE DECISION LEAVES AIRLINES 260,000 TONS OF FUEL AGAINST 315,000 TONS PREVIOUSLY PROGRAMMED FOR CONSUMPTION. THIS FORMULA REPRESENTS A 17 PER CENT REDUCTION FROM CURRENT NEEDS BUT LEAVES AIRLINES SLIGHTLY BETTER OFF THAN THE 247,000 TONS OF FUEL THEY WOULD HAVE RECEIVED IF THE ACROSS-THE-BOARD 10 PER CENT CUT FROM PREVIOUS YEAR'S USAGE WHICH APPLIES TO OTHER INDUSTRIES HAD BEEN APPLIED TO AIRLINES. MOREOVER, 10 PER CENT FORMULA WOULD HAVE RESULTED IN SERIOUS INEQUITIES BECAUSE OF RAPID CHANGES THAT HAVE TAKEN PLACE IN AIRLINE INDUSTRY SINCE PREVIOUS YEAR. (WE ARE TOLD BY FUEL SUPPLIERS THAT 55,000 TON REDUCTION WAS ARRIVED AT BY APPLYING 85 PER CENT OCTOBER 1973 FORMULA DESCRIBED IN REFTEL.)

3. HESELTINE ALSO ANNOUNCED:

- (A) A "VOLUNTARY" BAN ON ALL SUNDAY PRIVATE AND BUSINESS FLYING;
 - (B) A CUT OF 25 PER CENT FROM LAST YEAR'S LEVELS FOR BUSINESS FLYING AND ITS USE ONLY WHERE THERE ARE NO SCHEDULED FLIGHTS; AND
 - (C) A CUT OF 50 PER CENT IN FL FOR LIGHT AIRCRAFT AND HELICOPTERS IN NON-COMMERCIAL USE.
- THERE WILL BE ONLY A FEW EXEMPTIONS FROM FUEL CUTS BUT AMONG THOSE ANNOUNCED ARE FLIGHTS IN SUPPORT OF NORTH SEA OIL EXPLORATION, AIR-SEA SEARCH, AND AMBULANCE SERVICES.

4. HESELTINE ALSO STATED THAT OCEAN SHIPPING BUNKERS WOULD BE REDUCED BY 10 PER CENT FROM THAT SUPPLIED DURING CORRESPONDING PERIOD LAST YEAR. THESE RESTRICTIONS WILL APPLY TO BRITISH AND FOREIGN FLAG VESSELS ALIKE.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LONDON 14513 02 OF 02 101957Z

45

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 SCEM-02 SCI-06 COME-00 INT-08

FAA-00 CAB-09 DOTE-00 CIAE-00 INR-10 NSAE-00 RSC-01

PM-07 NSC-10 SPC-03 SS-20 DRC-01 DODE-00 L-03 SIL-01

LAB-06 SCA-01 /125 W

----- 088025

P R 101927Z DEC 73

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 6300

INFO AMEMBASSY BONN

AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 02 OF 02 LONDON 14513

5. HOW SERIOUSLY BUNKER REDUCTIONS WILL BITE IS NOT YET CLEAR BUT PRESUMABLY WILL NOT HIT SHIPPING INDUSTRY AS HARD AS AVIATION FUEL CUTS WILL HIT AIRLINES. PANAM TELLS US THAT, IN PART BECAUSE OF TWA STRIKE, IT EXPERIENCING 90 PER CENT LOAD FACTORS ON NORTH ATLANTIC AND CANNOT CANCEL FLIGHTS. HOWEVER, AT PRESENT RATE OF CONSUMPTION, PANAM WILL EXHAUST ITS PRESENT ALLOCATION AND HAVE TO SUSPEND SERVICE BY DECEMBER 21 UNLESS IT GRANTED ADDITIONAL SUPPLY. NATIONAL AIRLINES IS LIKEWISE SERIOUSLY HIT BUT IS IN A POSITION TO CANCEL SOME FLIGHTS IN ORDER CONTINUE OPERATING THROUGH END OF YEAR. SEABOARD HAS ALREADY REDUCED ONE FREQUENCY AND CAN ABSORB FUEL CUT.

6. WE ARE BECOMING CONCERNED ABOUT ADEQUACY OF AIR SERVICES ACROSS NORTH ATLANTIC DURING HOLIDAY PERIOD AND POSSIBLE AMERICAN CITIZEN STRANDING PROBLEMS THAT MAY ARISE IN EVENT CARRIERS, BECAUSE THEY FAIL TO REDUCE SERVICES NOW, ARE FORCED TO INTERRUPT SERVICES COMPLETELY DURING PERIOD OF PEAK TRAVEL DEMAND. WE WOULD SUGGEST THAT WASHINGTON AGENCIES CONSULT WITH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 14513 02 OF 02 101957Z

AIRLINE OFFICIALS TO TRY TO ENSURE THAT FUEL USAGE IS PROGRAMMED THROUGH MONTH OF DECEMBER IN SUCH A WAY AS TO ENSURE THAT TRAVELING PUBLIC IS ADEQUATELY SERVED.

ANNENBERG

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSERVATION, MARINE TRANSPORTATION, JET FUEL, TRADE CONTROLS, AIR SCHEDULES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: mcintyresh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LONDON14513
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731234/aaaaazfk.tel
Line Count: 163
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: LONDON 14134
Review Action: RELEASED, APPROVED
Review Authority: mcintyresh
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23-Jul-2001 by willialc>; APPROVED <13-Sep-2001 by mcintyresh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AVIATION AND SHIPPING FUEL CUT-BACKS ANNOUNCED.
TAGS: ETRN, ENRG, UK
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005